Declassified and Approved For Release 2012/02/29 : CIA-RDP90-00965R000201830081-2

ARTICLE APPEARED ON PAGE A14

NEW YORK TIMES
14 March 1986

Those Titillating High-Level Resignations

By STEPHEN ENGELBERG
Special to The New York Times

WASHINGTON, March 13 — There is nothing like a high-level resignation to get people talking in this city.

After all, this is where a shift of White House office assignments and the type of plane given a senior official for a foreign trip can set off days of speculation.

When somebody actually leaves the Government, vague official statements citing the ever-popular "personal reasons" are seen as inherently suspect. Journalists, lobbyists and players in the power game suspect that darker meanings lurk just beneath the surface of such seemingly innocuous announcements.

So it was the other day when the White House announced that John N. McMahon, the No. 2 man at the Central Intelligence Agency, was ending his 34-year career with the agency. The White House said he was leaving for unspecified personal reasons. But the speculation began immediately and has continued, both in print and among those who follow the twists and turns of the intelligence agencies.

Did he jump? Was he pushed? Was his leaving some kind of protest?

Critics of the agency, contending that Mr. McMahon had opposed covert aid for insurgencies in Afghanistan, Angola and Nicaragua, saw his resignation as proof that those programs would soon be stepped up. Tass, the Soviet press agency, offered a similar hypothesis. And two conservative groups that had been pushing for Mr. McMahon's dismissal immediately claimed credit.

All of which led Mr. McMahon to vehemently deny all the theories, which made some of the speculators all the more convinced that their assertions were correct.

Goals of the Lobbying Groups

The conservative lobbying groups, Free the Eagle and the Federation for American Afghan Action, have been pushing for a more confrontational American policy in Afghanistan. They would like the United States, for example, to provide expensive American-made arms to the rebels fighting the Soviet-backed government of Afghanistan. Foreign-made arms are now provided to the guerrillas on what officials call a "covert" basis, meaning the weapons cannot be directly traced to American sources.

But the two groups have also been trying to build their reputations, and a letter-writing campaign against Mr. McMahon has been a primary tactic.

The groups said repeatedly that Mr. McMahon was opposing an increase in the size of the Afghan program. Officials said his concern was that more aid would only be lost as it is moved through Pakistani middlemen to the Afghan guerrillas.

"We said, 'Hey, McMahon's the bad guy,'" recounted Neal Blair, president of Free the Eagle. He said that as a result of his group's efforts, more than 10,000 letters were delivered to Donald T. Regan, the White House chief of staff.

The conservative lobbying groups have had mixed success in getting people to believe their claims in Washington, but they seem to have had little trouble convincing Moscow of their prowess.

Tass, in its article on Mr. McMahon's resignation, said the White House had been pressured by "the ultra-reactionary group Free the Eagle." This assertion is a favorite theme of the Soviet press, which regularly portrays Mr. Reagan as being a prisoner of the far right.

Tass also suggested that Mr. McMahon had resigned in protest, saying he had "dared to express doubts on the utility of giving military aid through the C.I.A. channels to the anti-Afghan rebels."

McMahon Is 'Dismayed'

All of this apparently infuriated Mr. McMahon and led some allied intelligence services to think that the agency was undergoing some sort of internal upheaval. Within a few days the C.I.A. was issuing a statement under Mr. McMahan's name intended to quell all the speculation.

"I have been dismayed and angered by the reaction of those in the press and special interest groups who have sought to interpret my retirement from C.I.A. as an expression of discontent with the President's policies," he wrote. "Nothing could be further from the truth. I must draw the line when these uninformed and erroneous reports provide fodder — as indeed they already have — for propaganda in the Sandinista press in Nicaragua and others abroad."

Administration officials who have known Mr. McMahon for years say that there was no hidden meaning in his retirement and that he had talked about leaving Government service for several years.

These associates contend that, in this case, it was accurate for the White House to say he was resigning for personal reasons. The timing of Mr. McMahon's decision, they said, was linked to such prosaic factors as pending Federal legislation that would lessen pension benefits to retirees.

It is true, they say, that Mr. McMahon has sometimes been a doubter when it comes to expanded covert programs. But they say he had proven to be a loyal soldier once a particular policy was decided.

"Why wouldn't he have left years ago if he had such problems with covert programs?" one official asked.

Others said that Mr. McMahon, to all indications, had retained the confidence of William J. Casey, the Director of Central Intelligence, who is a leading proponent of the Administration's covert aid to insurgencies.

Mr. Blair, of Free the Eagle, is not persuaded.

"McMahon was right in the middle of this, and it appears he lost out," he said. "The indications are persuasive."

Asked if he knew for a certainty that Mr. McMahon had been forced from his job, Mr. Blair said:

"I can't think of one resignation where we've ever really known what happened."

Declassified and Approved For Release 2012/02/29 : CIA-RDP90-00965R000201830081-2